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Gentlemen:

My name is Robert Hart. I am the past Chairman/CEO of 21stCenturyTelesis, Inc. We raised money from individuals and small rural telephone companies for the C and the F block PCS auction. Our investor base fully understood the concept of the “low tier” technology and its’ potential benefits as compared to “cordless” phones and cellular “high tier” car phones.

I was the chairman of the lobbying committee for the small business PCS association headed by Mr. Robert Kyle. I headed up the lobbying effort for the C and F block entrepreneurs’ “set aside”. I am a registered electrical engineer and used to be self-employed.

The vision of our company was “low tier” radio deployment. As you are all aware, things went out of kilter with \$1B-\$4B dollar bidding, bankruptcies, focus by large companies on “high tier” only deployment, etc., and in addition for numerous reasons, we were not successful.

We were and are aware of the PHS system currently in successful operation in Tokyo, Japan (<http://www.phsmou.or.jp/>). This system is in use in many other foreign countries (China, Taiwan, etc.). Our plan was based on utilizing an equipment standardized in the USA by BellCore (now Telcordia) (PACS) and use unbundled telephone company infrastructure made available to our company via the 1996 Telecommunications Act for a low cost – low power - high capacity community wireless system deployment. Because the PACS protocol was not used anywhere else in the world, and because the low tier wireless concept does not lend itself well to the nation wide deployment strategies of the major carriers, the equipment was very expensive and not very available in the USA.

It is my personal position at this time that serious consideration is given to referenced unlicensed utilization request for PHS system deployment in the USA today.

“Low tier” systems are not every thing for everyone. There is typically not total area coverage. There would be coverage where most American people live, work and play within a community of interest. This is a system however that will enable the 50+% of the American people who cannot afford to use a “high tier” system to be connected as desired (as a result of relatively high MOU charges and lack of system capacity associated with use of a “high tier” system). We believe the relative low cost of use of the “low tier” system including circuit switched in-band modem data at 14.4 kbps,

including transparent transport of TTY modem signals, will be attractive to many citizens (just a radio overlay to the existing ILEC or CLEC network).

We had a professional market study performed relative to our past business plan (in excess of 800 respondents personally contacted and surveyed) which predicted we might achieve a 25+% penetration of the American population with a “low tier” type of service offering. Someone must understand the attributes of “low tier” or there would exist no such low power radio and system capacity definition and/or differentiation.

How about mounting a radio port where pay stations exist to enable one to use the telephone during rainstorms without standing in the rain? What about university grounds (including affordable portable wireless voice-band modem data transmission), hospitals, super retail stores, schools, etc. applications? Gas stations, Interstate highway on and off ramp developed areas, etc? How about being able to return a page from a low cost community affordable paging network by traveling to a pre-determined radio port location - perhaps an identified convenient billboard? When one dials 911 the system can at least today affordably locate the customer in distress to the nearest low power radio port (typically less than 500’- 1000’ radius or less in many urban and suburban areas – greater radius in rural areas). What about having a “high tier” system on a low monthly charge plan only to use in emergency situations?

Again I believe from significant personal experience, a potential market exists in America for many “low tier” systems. The PHS system seems to be leading now in technological development. We need sound leadership going forward. Award of this spectrum by auction for end user use of the services at this point in time would be a non-starter. The auction process would result in large geographic license areas being sold at prices that “real” small businesses could not afford. This would result in either more bankruptcies or, more likely, in additional concentration of spectrum with the same national carriers leaving no low tier offer to the public. The service must be low cost and not penalized by a requirement to either buy a license for a very large area or incur the overhead of what would likely be an unsuccessful negotiation with a major carrier that was not interested in the existence of the service. Under the current philosophy of “let the market totally decide” we would not have AM- FM radio, TV, etc., in my opinion. We drastically need leadership. I ask that the Commission separate the 1910 – 1930MHz band from the 3G discussions and immediately make it available on an unlicensed basis for carriers interested in operating low cost, internationally standard systems that can serve people in the community who would otherwise be ignored by the major wireless carriers.

Thank you and good luck,

Robert A. Hart IV